

THE CONSUMER REPORTING ACT

AND how it helps you

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Ontario

Ministry of
Consumer and
Commercial
Relations



Information on your life-style, buying and credit habits is collected, stored and disseminated by people you have never met. This information can influence where, or if, you will work and how much you can borrow.

Because of the increasing mobility and growth of our cities and businesses, the trend to make decisions based on facts and opinions supplied by others will grow. It is essential, then, that the information collected for rating purposes be correct and used responsibly and that the person reported on has access to his own file. The Consumer Reporting Act, administered by the Ontario Ministry of Consumer and Commercial Relations, serves this purpose.

The Consumer Reporting Act provides for the licensing of reporting agencies. Investigators that specialize in the collection of personal information will also have to apply for a licence. The Act sets out guidelines on the kind of information that can be reported, the way it is used and the procedures for protecting you from inaccurate or out-dated information. The Consumer Reporting Registrar is responsible for administering the Act.

The Consumer Reporting Act is designed to protect you, the consumer, as far as the law can do so. It deals with the reporting and gathering of both credit and personal information related to your life-style and character. If you can't handle your financial affairs and are continually getting into debt, there is nothing much that any law can do. Common sense is your best defense.

You, as a consumer, will be entitled to disclosure of information compiled about you by the agency. As a consumer, you will be able to state your case and effectively change any mis-information that may be contained in your file.

Your Basic Rights

The main purpose of the Consumer Reporting Act is to ensure:

- Your right to expect responsible conduct from businesses engaged in gathering, storing, assembling or using credit and personal information.
- Your right to know what is being reported about you and to whom it is reported.
- Your right to correct false information about yourself.

In the past, personal information gathered has sometimes been based on rumor, with influence far in excess of its credibility. Information was often out-dated and widely available. Worst of all, you didn't know what was being said about you, or why you may have been refused a job. Unfortunately, one mistake could seriously jeopardize many aspects of your life.

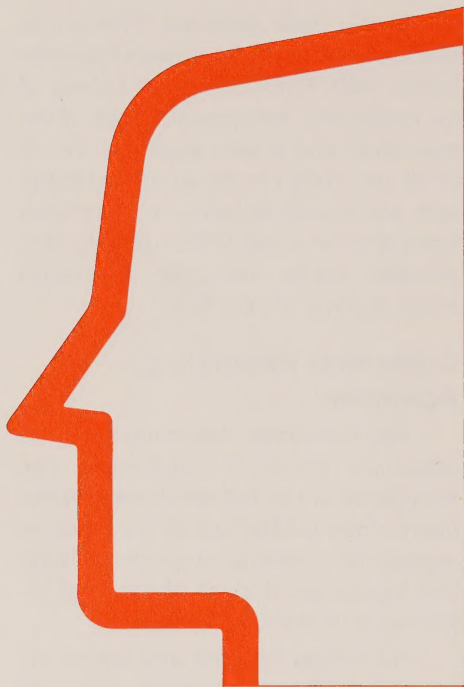
Consumer Reporting Agencies

The Consumer Reporting Act is an important piece of legislation. The provisions of the Act reach right to the heart of the problems that are inherent in personal information reporting. Under this legislation, the use of personal information is clarified.

No longer is there any secret information. These information sources are now open for inspection so that any mis-information can be corrected. You, the consumer, are now able to see your file and refute any mis-information.

What the Report Contains

Since any reporting mistake could jeopardize your personal planning, consumer reporting agencies are now required to adopt all reasonable procedures for ensuring the greatest possible accuracy of their consumer reports.



The Consumer Reporting Act ensures that:

- All reporting agencies must make a reasonable effort to corroborate unfavorable personal information in their reports.
- Reporting agencies are restricted as to who they may give access to information. Agencies providing this information for unauthorized purposes are liable to prosecution.
- In the case of bankruptcy, no information more than seven years older than the most recent bankruptcy may be included in the report, the exception being when the consumer has declared bankruptcy more than once.
- No information regarding writs issued more than 12 months prior to the date of the report will be permitted in a report unless the current status of the writ has been ascertained. Writs more than seven years old cannot be reported at all.
- No information as to race, creed, color, sex, ancestry, ethnic origins or political affiliation may be included.
- Any person knowingly supplying false information in the preparation of consumer reports is liable to prosecution.
- Consumer reporting agencies cannot use any information unless it is stored in Canada.

Regulating the Use of Credit Reports

Provisions regulating the use of credit reports include the following:

- If you are being assessed for credit, employment or insurance purposes, you can request the name and address of any agency which has supplied a

report on you. If a reporting agency is compiling a report and it contains information pertaining to your character, reputation, personal characteristics or mode of living, from information obtained through interviews with friends, neighbors, or associates, the person requesting this report must notify you in writing in advance and give you the name and address of the agency which is supplying it, if you so request.

- If you apply for credit, the credit grantor must tell you in advance if he intends to use a credit report.

- The credit grantor cannot supply personal information about you to other credit grantors unless he has informed you in writing at the time of the original application, or has obtained your consent or has your referral.

- If you have been refused a benefit or have had your charges increased as a direct result of information derived from a credit reporting agency, the credit grantor must tell you. The credit grantor must also, on your request, supply you with the name and address of that agency, where you can then check the nature and source of the information.

- The Act requires that every agency must disclose the nature of the information in your file. To gain access to your file, however, you must request to do so in writing and arrange a specific time for an appointment.

- If you discover any mis-information in your file, which the agency will not amend, the Registrar of Consumer Reporting Agencies has the power to order changes or deletions in any file if he is satisfied that the information is inaccurate, incomplete or does not comply with the Act.

- Appeals by both agencies and individuals will be heard by the Commercial Registration Appeal Tribunal.

Who Gets These Reports ?

Under the Consumer Reporting Act, information can only be furnished:

a) In response to a court order.

b) In accordance with your written instructions.

c) In connection with the extension of credit, the collection of a debt, a tenancy agreement, employment purposes, the underwriting of insurance or for any direct business need or credit transaction involving the consumer.

You Can Review Your File

Every reporting agency is required to disclose information to you during normal business hours. All you have to do is make a written request.

The agency must disclose the nature and substance of all information. This includes the sources of credit and personal information, and the names of recipients of your consumer report which contains this information.

While reviewing your report you can be accompanied by one other person of your choosing. Of course, the consumer reporting agency, will require reasonable identification of both yourself and the person accompanying you before making any disclosures.

Corrections

If you find any inaccuracy or incompleteness in your report, the consumer reporting agency must confirm, complete, correct, supplement, or delete the information from your file within a reasonable time. You can then designate that certain persons receive the amended report. In addition, all persons who have been supplied with unamended reports within the last 60 days must be informed of the changes.

Complaints

If, for some reason, you run into some problems dealing with a consumer reporting agency you can write a letter to the Registrar. The consumer reporting agency must then furnish the Registrar with all information pertaining to the complaint. The Registrar or any person designated in writing by him may enter the agency to make an inspection in relation to the complaint.

Fines for False Information

Anyone found guilty of knowingly furnishing false information in any application under this Act or who contravenes any provision of the Act is liable to a fine of up to \$2,000 or to imprisonment up to one year or both. A corporation committing a similar offense can be fined up to \$25,000.

For a brochure on "Using Credit Wisely" write Consumer Buy-Line, 555 Yonge Street, Toronto, Ontario, M4Y 1Y7.

Tips for Maintaining a Good Credit Rating

- Always pay your bills promptly. If you have a reason for being late with a payment, let the company know.
- Try to pay off any debt quickly. Avoid those prolonged "easy terms" and avoid having to refinance at higher interest rates.
- Never sign a blank contract or sheet of paper. Remember, a contract is a legal document. Know its implications. Always read and understand the small print.
- Always deal with known, respected and established companies.
- Be familiar with brand name merchandise and its cost so you can compare goods and prices.
- Make sure you understand the total cost of your purchase. Add up those monthly charges.

REMEMBER, CREDIT IS A PRIVILEGE, NOT A RIGHT.

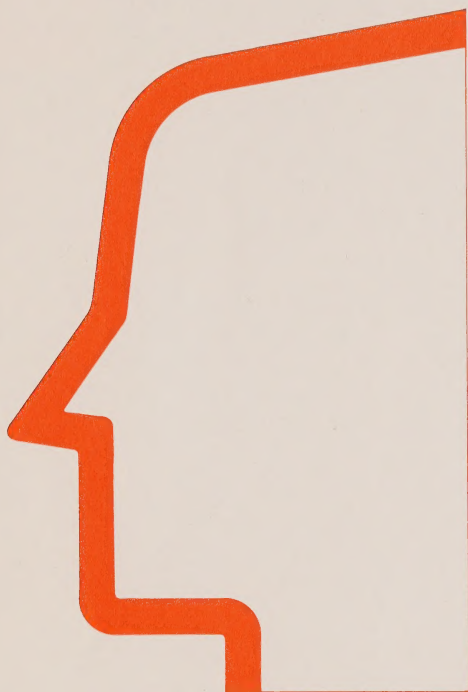
**For further information,
contact:**

The Registrar of Consumer Reporting
Agencies,

Ministry of Consumer and
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555 Yonge Street,

Toronto, Ontario, M4Y 1Y7.



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